

Fig.1

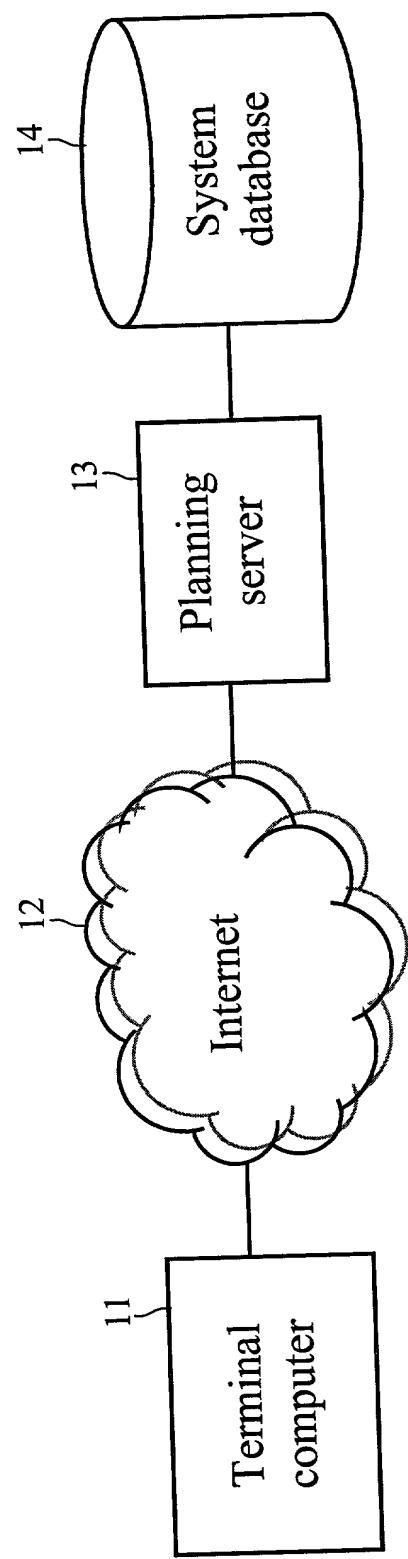


Fig.2

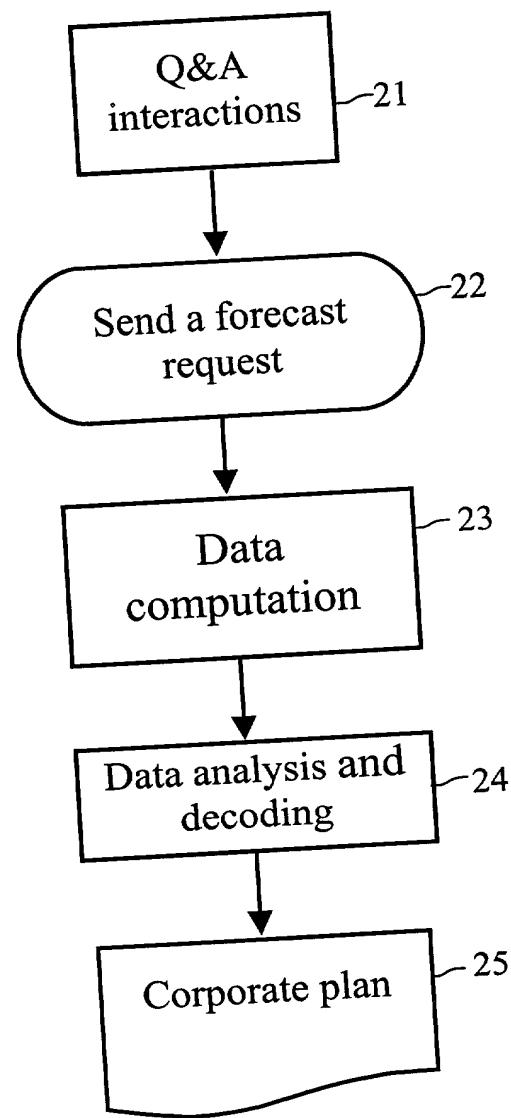


Fig.3

# **Kai - Chuang**

## **Business Plan**

**2001/10/2**

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**Fig.4**

### 一、Estimate Financial Form

(一) Income or earnings statement concerning the estimate for the next five years of Kai – Chuang Co. Unit : thousand dollar

Year	1	2	3	4	5
Sales revenue	362,276	802,697	1,021,623	1,203,530	1,317,876
Cost of goods sold	(243,874)	(548,811)	(698,101)	(821,574)	(898,353)
Gross profit	118,402	253,886	323,522	381,956	419,523
Operating expense	(109,752)	(172,267)	(208,545)	(247,527)	(281,584)
Operating income	8,650	81,619	114,977	134,429	137,939
Non-operating income	(41,648)	(22,464)	(22,549)	(27,655)	(32,124)
Net profit	(32,998)	59,155	92,428	106,774	105,815
Income Tax	0	(14,789)	(23,107)	(26,694)	(26,454)
Net income tax	(32,998)	44,366	69,321	80,081	79,361

### 二、Earning per share

Earning per share concerning the estimate for the next five years of Kai – Chuang Co.

Unit : dollar

Year	1	2	3	4	5
EPS	(1.6499)	2.2183	3.466	4.004	3.9681

### 三、Rate of return on investment analysis

Year	1	2	3	4	5
Rate of return on investment	-16.50%	22.18%	34.66%	40.04%	39.68%

Fig.5A

(二) Assets Debt From concerning the estimate for the next five years of Kai - Chuang Co. Unit : thousand dollar

Year	1	2	3	4	5
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	40,763	708	846	9,342	80,846
Accounts & notes receivable	89,328	197,925	251,907	296,761	324,956
Inventories	40,089	90,216	114,756	135,053	147,674
Other current assets	362	1,165	2,187	3,390	4,708
<b>Total current assets</b>	<b>170,542</b>	<b>290,014</b>	<b>369,696</b>	<b>444,547</b>	<b>558,184</b>
Long-term investments	0	0	50,000	50,000	50,000
<b>Fixed assets</b>					
Land	50,000	50,000	50,000	50,000	50,000
Plant	20,000	70,000	80,000	80,000	80,000
Accumulated depreciation	(1,000)	(4,450)	(8,228)	(11,816)	(15,225)
Machine equipment	10,000	30,000	40,000	41,000	41,000
Accumulated depreciation	(2,000)	(7,600)	(14,080)	(19,464)	(23,771)
<b>Net fixed assets</b>	<b>77,000</b>	<b>137,950</b>	<b>147,693</b>	<b>139,720</b>	<b>132,003</b>
<b>Intangible assets</b>					
Net intangible assets	0	0	0	0	0
Other assets	0	13,467	79,851	166,668	271,338
<b>Total assets</b>	<b>247,542</b>	<b>441,431</b>	<b>647,239</b>	<b>800,934</b>	<b>1,011,526</b>
<b>Debts &amp; Shareholder's equity</b>					
<b>Liabilities</b>					
<b>Current liabilities</b>					
Short-term debts	0	35,000	55,000	0	0
Accounts & Notes payable	40,089	90,216	114,756	135,053	147,674
Other current liabilities	11,469	11,650	21,866	33,901	47,080
<b>Total current liabilities</b>	<b>51,558</b>	<b>136,865</b>	<b>191,622</b>	<b>168,955</b>	<b>194,754</b>
Other liabilities	28,982	93,198	174,928	271,210	376,640
<b>Total liabilities</b>	<b>80,540</b>	<b>230,063</b>	<b>366,550</b>	<b>440,165</b>	<b>571,395</b>
<b>Shareholder's equity</b>					
Capital stock	200,000	200,000	200,000	200,000	200,000
Retained earnings	(32,998)	11,368	80,689	160,770	240,131
<b>Total shareholder's equity</b>	<b>167,002</b>	<b>211,368</b>	<b>280,689</b>	<b>360,770</b>	<b>440,131</b>
<b>Total debts and shareholder's equity</b>	<b>247,542</b>	<b>441,431</b>	<b>647,239</b>	<b>800,934</b>	<b>1,011,526</b>

Fig.5B

(三) Statement of Cash Flows concerning the estimate for the next five years of Kai - Chuang Co. Unit : thousand dollar

Year	1	2	3	4	5
<b>Cash flows from operating activities</b>					
Net income	(32,998)	44,366	69,321	80,081	79,361
Adjustments					
Depreciation	3,000	9,050	10,258	8,973	7,716
Accounts & Notes receivable	(89,328)	(108,597)	(53,982)	(44,854)	(28,195)
Inventories	(40,089)	(50,127)	(24,541)	(20,297)	(12,621)
Other current assets	(362)	(803)	(1,022)	(1,204)	(1,318)
Accounts & notes payable	40,089	50,127	24,541	20,297	12,621
Other current liabilities	11,469	181	10,216	12,035	13,179
Other liabilities	28,982	64,216	81,730	96,282	105,430
Net cash flows from operating activities	(79,237)	8,413	116,521	151,314	176,174
<b>Cash flows from financing activities</b>					
Long-term investment	0	0	(50,000)	0	0
Land	(50,000)	0	0	0	0
Plant	(20,000)	(50,000)	(10,000)	0	0
Equipment	(10,000)	(20,000)	(10,000)	(1,000)	0
Other assets	0	(13,467)	(66,384)	(86,817)	(104,670)
Net cash flows from financing activities	(80,000)	(83,467)	(136,384)	(87,817)	(104,670)
<b>Cash flows from manage money activities</b>					
Short-term investment	0	35,000	20,000	(55,000)	0
Cash increase	200,000	0	0	0	0
Net cash flows from manage money activities	200,000	35,000	20,000	(55,000)	0
Net increase in cash and cash equivalents	40,763	(40,054)	138	8,496	71,504
Balance in cash and cash equivalents at beginning of year	0	40,763	708	846	9,342
Balance in cash and cash equivalents at end of year	40,763	708	846	9,342	80,846

Fig.5C